

HB

333

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FILE

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 333
(H) Publish Date: 2/27/02

Revision Date/Time (Note if correction): 2/4/2002 Dept. Affected: DCED
Title Extending the Termination Date BRU Regulatory Commission of Alaska (399)
of the Regulatory Commission of Alaska Component Regulatory Commission of Alaska
Sponsor House Finance
Requester House Labor & Commerce Component No. 2417

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	3,951.8	3,951.8	3,951.8	3,951.8	3,951.8	
Travel	55.0	55.0	55.0	55.0	55.0	
Contractual	1,920.0	1,920.0	1,920.0	1,920.0	1,920.0	
Supplies	62.5	62.5	62.5	62.5	62.5	
Equipment	13.8	13.8	13.8	13.8	13.8	
Land & Structures		0.0	0.0	0.0	0.0	
Grants & Claims		0.0	0.0	0.0	0.0	
Miscellaneous		0.0	0.0	0.0	0.0	
TOTAL OPERATING	6,003.1	6,003.1	6,003.1	6,003.1	6,003.1	

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1141 - RCA Receipts	6,003.1	6,003.1	6,003.1	6,003.1	6,003.1	
TOTAL	6,003.1	6,003.1	6,003.1	6,003.1	6,003.1	

Estimate of any current year (FY2002) cost: 0.0
Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal: X

POSITIONS

Full-time	61	61	61	61	61
Part-time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

The bill extends the Regulatory Commission of Alaska to June 30, 2006. In accordance with AS 08.03.020, funding is extended one year following the termination date allowing the commission to conclude its affairs. The information above identifies direct expenditure and revenue information included in the FY 2003 Operating Budget Request. The RCA's budget is funded through the Regulatory Cost Charge (RCC) mechanism and direct charge mechanisms. No general funds are allocated for support of the agency. The RCC is recalculated each year and allows the agency to recover its operating costs through an assessment on the revenues of the utilities and pipeline carriers it regulates.

Prepared by: G. Nnette Thompson, Chair Phone (907) 263-2112
Division Regulatory Commission of Alaska Date/Time 2/6/02 10:25 AM
Approved by: Debrah B. Sedwick, Commissioner Date 2/6/2002
Agency Department of Community & Economic Development

FISCAL NOTE

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Prepared by: G. Nanelle Thompson, Chair Phone (907) 263-2112
 Division: Regulatory Commission of Alaska Date/Time 2/6/02 10:25 AM
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 Agency: Department of Community & Economic Development

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4/16/02

Adopted

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CS FOR HOUSE BILL NO. 333(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act setting timelines for issuance of final orders by the Regulatory Commission of
2 Alaska, amending the authority of the commission to enter compromise settlement
3 orders, and extending the commission's termination date; and providing for an effective
4 date."

to June 30, 2006

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 * Section 1. AS 42.05 is amended by adding a new section to read:

7 Sec. 42.05.175. Timelines for issuance of final orders. (a) The commission
8 shall issue a final order not later than six months after a complete application is filed
9 for

10 (1) an application for a certificate of public convenience and necessity;

11 (2) an application to amend a certificate of public convenience and
12 necessity;

13 (3) an application to transfer a certificate of public convenience and
14 necessity;

1 (4) an application to acquire a controlling interest in a certificated
2 public utility; and

3 ~~(5) any other application required or permitted under this chapter.~~

4 (b) Notwithstanding a suspension ordered under AS 42.05.421, the
5 commission shall issue a final order not later than nine months after a complete tariff
6 filing is made for a tariff filing that does not change the utility's revenue requirement
7 or rate design.

8 (c) Notwithstanding a suspension ordered under AS 42.05.421, the
9 commission shall issue a final order not later than 15 months after a complete tariff
10 filing is made for a tariff filing that changes the utility's revenue requirement or rate
11 design.

12 (d) The commission shall issue a final order not later than 12 months after a
13 complete formal complaint is filed against a utility or, when the commission initiates a
14 formal investigation of a utility without the filing of a complete formal complaint, not
15 later than 12 months after the order initiating the formal investigation is issued.

16 (e) The commission shall issue a final order in a rule making proceeding not
17 later than 24 months after a complete petition for adoption, amendment, or repeal of a
18 regulation under AS 44.62.180 - 44.62.290 is filed or, when the commission initiates a
19 rule making docket, not later than 24 months after the order initiating the proceeding is
20 issued.

21 (f) The commission may extend a timeline required under (a) - (e) of this
22 section if all parties of record consent to the extension or if, before the timeline
23 expires, the commission

24 (1) reasonably finds that good cause exists to extend the timeline; and

25 (2) issues a written order extending the timeline and setting out its
26 findings regarding good cause.

27 (g) The commission shall file quarterly reports with the Legislative Budget
28 and Audit Committee identifying all extensions ordered under (f)(2) of this section
29 during the previous quarter, and including copies of the written orders issued under
30 (f)(2) of this section.

31 (h) If the commission does not issue and serve a final order regarding an

1 application or suspended tariff under section (a), (b), or (c) of this section within the
2 applicable timeline specified, and if the commission does not extend the timeline in
3 accordance with (f) of this section, the application or suspended tariff filing shall be
4 considered approved and shall go into effect immediately.

5 (i) For purposes of this section, "final order" means a dispositive
6 administrative order that resolves all matters at issue and that may be the basis for a
7 petition for reconsideration or request for judicial review.

8 (j) For purposes of this section, an application, tariff filing, formal complaint,
9 or petition is complete if it complies with the filing, format, and content requirements
10 established by statute, regulation, and forms adopted by the commission under
11 regulation.

12 * Sec. 2. AS 42.05.191 is amended to read:

13 Sec. 42.05.191. Contents and service of orders. Every formal order of the
14 commission shall be based upon the facts of record. However, the commission may
15 issue an order approving any settlement supported by all the parties of record in
16 a proceeding, including a compromise settlement, if the settlement is consistent
17 with AS 42.05 and 42.06. Every order entered pursuant to a hearing must state the
18 commission's findings, the basis of its findings and conclusions, together with its
19 decision. These orders shall be entered of record and a copy of them shall be served
20 on all parties of record in the proceeding.

21 * Sec. 3. AS 44.66.010(a)(4) is amended to read:

22 (4) Regulatory Commission of Alaska (AS 42.04.010) -- June 30, 2006
23 [2002];

24 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 PRIOR DOCKETS. The provisions of AS 42.05.175, added by sec. 1 of this Act do
27 not apply to dockets of the Regulatory Commission of Alaska that are initiated before July 1,
28 2002.

29 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

ALASKA STATE LEGISLATURE

Representative Lisa Murkowski Chair
Representative Andrew Halcro Vice-Chair
Representative Pete Kott
Representative Kevin Meyer
Representative Norman Rokeberg
Representative Harry Crawford
Representative Joe Hayes



Alaska State Capitol
Juneau, AK 99801-1182
Telephone: (907) 465-4954
Fax: (907) 465-2293
Representative_Lisa_Murkowski@legis.state.ak.us

HOUSE LABOR AND COMMERCE COMMITTEE

House Bill No. 333

Letter of Intent

Recognizing that the Regulatory Commission of Alaska is adjusting and evolving its operations since its inception in 1999, and that it receives numerous and complex complaints requiring time and consideration, and that the commission has an enormous backlog of cases, it is the intent of the House Labor and Commerce Committee in conjunction with the Senate Labor and Commerce Committee, to conduct annual oversight hearings of the Regulatory Commission of Alaska to discuss investigations and complaint follow-up, case backlog, and other matters of public inquiry regarding the activities of the commission.

Handwritten signature of Representative Lisa Murkowski.

Representative Murkowski
Chair,
House Labor and Commerce Committee

Handwritten signature of Representative Andrew Halcro.

Representative Halcro
Vice-Chair,
House Labor and Commerce Committee

REPRESENTATIVE
BILL WILLIAMS
Co-Chair
(907) 465-3424
Fax: (907) 465-3793

INTERIM ADDRESS
50 Front Street, Suite 203
Kelchikan, Alaska 99901
(907) 247-4627
Fax (907) 225-7157

Alaska State Legislature
House Finance Committee



State Capitol, Juneau, Alaska 99801-1182

REPRESENTATIVE
ELDON MULDER
Co-Chair
(907) 465-2647
Fax: (907) 465-3518

INTERIM ADDRESS
716 W. 4th Avenue
Anchorage, Alaska 99501
(907) 269-0265
Fax: (907) 269-0264

HOUSE BILL 333

An Act Extending the Sunset Date of the Regulatory Commission of Alaska

Committee Substitute for House Bill 333 will extend the sunset date for the Regulatory Commission of Alaska from June 30, 2002 to June 30, 2006. Pursuant to AS 44.66.010(c), The legislature may extend the termination date for this agency for a period not to exceed four years. HB 333 allows an extension for the full four years.

The Division of Legislative Audit published its audit report on November 28, 2001. The report concluded that the Regulatory Commission of Alaska operates in a reasonably effective and efficient manner and should continue to regulate public utilities and pipelines.

The measure adds a new section (AS 42.05.175) to the statute to establish timelines for RCA action. We believe that they will assist in assuring that decisions are made in a timely fashion so that regulated utilities will not face unnecessary delays in regulatory actions. It also amends AS 42.05.191 to allow the RCA to approve settlements supported by all parties to an action.

CSHB 333 would be effective immediately, thus the Regulatory Commission of Alaska would not need to begin the process of shutting down its operations pursuant to AS 44.66.010(b).



Alaska State Legislature

Please enter into the record my testimony to the House Finance

committee name

Committee on HB 333/EXTENDING THE REGULATORY COM. OF ALASKA Date, April 11, 2002

bill # / subject

I would like to go on record as being **OPPOSED** to **HB 333**. This bill will cost us **\$30,015,500** in fees and taxes over the next 5 years. With utility deregulation, do we really need a commission of this size/cost? If the justification no longer exists maybe we could all save some money?

Please vote: **DO NOT PASS** on **HB 333** in its current form.

Thank you.

Signed: Mike McBride
Testifier

Self
Representing (optional)

PO Box 6; Kenai, Alaska; 99611
Address

776 5444
Phone number

22-LS1289C
Craver
4/15/02

CS FOR HOUSE BILL NO. 333(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

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